

interest that could be affected by health care reform swarmed over Washington. The reporting by the media, which emphasized conflict rather than explanation, also elevated public skepticism about the reform proposals. The end result was that attacks by opponents were many, but responses by proponents were far fewer.

Seventh, Congress did not handle the health care reform debate well. The leaders of Congress supported much more wide-ranging health care changes than the average member of Congress. Congress would not agree on any single comprehensive reform proposal, and only one of the five House and Senate committees which have jurisdiction over health care issues successfully produced a bipartisan bill. Although most members decided early on that they could not support the President's bill, or other comprehensive reform measures, Congress was unable to agree on what incremental reforms to support.

Eighth, outside events slowed the momentum for reform. The economic downturn ended, and the middle class concern over health care subsided. In addition, medical inflation, although still twice the rate of overall inflation, was much lower than the 12% or 15% annual increases from a few years ago.

Finally, all of these factors delayed consideration of health care reform. Time became the enemy of reform. Further delays occurred when the Administration needed nine months to introduce a bill, and the President and Congress were forced several times to delay health care reform in order to consider other issues such as the budget deficit reduction package, NAFTA, or the 1995 budget. These delays constrained the time available for Congress to consider, develop and then pass a bill.

WHAT IS AHEAD

The health care debate of 1994 was useful, if not satisfactory, and at least began to educate the public on health care and to illuminate some of the choices before us. The process of developing a consensus in the country has begun.

I have no doubt that there soon will be another health care debate. The problems facing the medical system are going to get worse and the pressure to act will mount. Medical costs still are increasing at rates two or three times inflation and the number of uninsured Americans is increasing. As these trends continue, more and more people are going to find their benefits cut, their choice of doctor constrained, and their employers putting more of the cost of health care on to them.

I do not believe reform will happen all at once, or in a single bill, nor should it. No bill can solve all the health care system's problems, and probably no bill that tries to do so can pass. I have believed for some time that comprehensive reform is probably not viable and that reform should come incrementally.

One place to start in incremental reform may be to offer health care coverage for every child. An estimated eight million children lack health insurance and some four million more have substantially less than full coverage. Other incremental reforms Congress will consider include managed competition, insurance reforms, malpractice reform, subsidies to lower income working families, and opening the federal employee health benefits plan (which covers government employees and members of Congress) to small businesses and individuals.

THE LANGUAGE OF GOVERNMENT

HON. BILL EMERSON

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 4, 1995

Mr. EMERSON. Mr. Speaker, today I am pleased to introduce once again the "Language of Government Act." America is a nation of immigrants. As President Franklin Delano Roosevelt once said, "All of our people all over this country—except the pure-blooded Indians—are immigrants or descendants of immigrants, including those who came over here on the Mayflower."

Indeed, we are a diverse lot. We are a country of many peoples, each with an individual cultural heritage and tradition. It is not often that people of so many varying cultures and backgrounds can live together in harmony, for human nature often leads us to resist and fear those who are different from us. Yet despite our differences, we do have a common bond. We have a common tongue, the English language, that connects us to one another and creates our national identity. It is this unity in diversity that defines us as uniquely American.

The time is right for passage of this important, unifying legislation. H.R. 123 offers a balanced, sensible approach to the common language issue. This legislation states that the government has an affirmative obligation to promote the English language, elevating that goal to official capacity. At the same time, the bill seeks to set some common sense parameters on the number and type of government services that will be offered in a language other than English. We do not need nor should we want a full scale multilingual government. But, if we do not address this issue in a forward-thinking, proactive manner, that is just what we would allow to develop.

I want to stress that the "Language of Government Act" is not "English only." It simply states that English is the language in which all official United States Government business will be conducted. We have an obligation to ensure that non-English speaking citizens get the chance to learn English so they can prosper—and fully partake of all the economic, social, and political opportunities that exist in this great country of ours.

The late Senator Hayakawa, founder of this movement, was a prolific writer and I offer you one of my favorite quotes of his:

America is an open society—more open than any other in the world. People of every race, of every color, of every culture are welcomed here to create a new life for themselves and their families. And what do these people who enter into the American mainstream have in common? English, our shared, common language.

As Americans, we should not remain strangers to each other, but must use our common language to develop a fundamental and open means of communication and to break down artificial language barriers. By preserving the bond of a unifying language in government, this nation of immigrants can become a stronger and more unified country.

THE DERIVATIVES SAFETY AND SOUNDNESS SUPERVISION ACT OF 1995

HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 4, 1995

Mr. GONZALEZ. Mr. Speaker, today I introduce the Derivatives Safety and Soundness Supervision Act of 1995. This legislation promotes regulatory oversight and coordination, and calls for greater disclosure of the derivatives activities of all types of financial institutions. In recognition of the global nature of the derivatives market, the legislation also requires the United States to take a lead role in promoting international cooperation on derivatives regulation.

The legislation is nearly identical to H.R. 4503, which I introduced with Congressman, now Chairman LEACH last year. At that time—May, 1994—I said "In order to protect taxpayers * * *, the Congress must ensure that the regulators fully understand the individual and systemic risks posed by derivatives and ensure that they are aggressively supervising and regulating financial institution derivatives activities." That legislation did not go anywhere, due in part to the Treasury Department and bank regulatory agencies claims that legislation was not necessary, and in part to the exigencies of a congressional election year schedule.

Events of the past 8 months indicate that legislation is needed now more than ever. Bankrupt Orange County, CA, has lost at least \$2 billion, much of which is attributable to its derivatives holdings. And Orange County isn't the only municipality in trouble—losses caused by risky investments in towns, cities, and counties throughout the country are coming to light. BT Securities, the securities affiliate of Bankers Trust, one of the world's largest derivatives dealers, was found by the Securities and Exchange Commission and the Commodity Futures Trading Commission to have violated the reporting and antifraud provisions of the Federal securities laws in connection with derivatives it sold to its customer, Gibson Greetings, Inc. The SEC and CFTC orders require BT Securities to pay a \$10 million civil penalty. Reports of financial losses at banks due to derivatives and other interest rate sensitive investments continue, and the bank regulators recently backed away from requiring true market value accounting which would reveal those losses. In light of these events, it would be irresponsible for the Congress to avoid legislation.

The legislation covers all financial entities—depository institutions, their affiliates and holding companies, Government-sponsored enterprises, Federal home loan banks, securities firms, and insurance companies. This broadened scope is necessary given the systemic risks that derivatives pose to our financial system generally and the need by customers and the marketplace for consistent and full disclosure. All regulators—bank regulators, SEC, CFTC, and Treasury must work together under the bill in adopting similar regulatory standards, reporting requirements, and disclosure. This regulatory coordination will provide increased customer protection as well as promote a stronger and safer derivatives marketplace. Of course, since banks are the biggest

players in the derivatives market, it is fitting that the bank regulators take the lead, and the Banking Committee serve as the committee of primary jurisdiction, in the derivatives area.

In responding to those who argue that legislation is not necessary, I remind them of the history of the Government securities market. When adopting the securities laws in the 1930's, Congress exempted Government securities from most regulation based on the financial sophistication and institutional nature of most customers, the low degree of risk posed by Government securities, and the perceived absence of market manipulation or fraud. Although bank dealers were generally subject to supervision and regulation by the bank regulators, and securities firms that dealt in nonexempt securities as well as Government securities were subject to supervision and regulation by the SEC, nonbank dealers who traded only in Government securities were not subject to any direct regulatory oversight. The failure of several of the unregulated Government securities dealers in the early 1980's—and the subsequent losses born by investors—prompted passage of the Government Securities Act. The Government Securities Act, rather than creating a separate agency to enforce the new regulations, relied on the existing regulatory structure when assigning oversight responsibility. This Act brought regulatory and oversight accountability to the Government securities market, clearly improving the market and protecting investors.

There are many similarities between the pre-1986 Government securities market and today's derivatives markets. The Derivatives Safety and Soundness Supervision Act of 1995 seeks to replicate the success of the GSA by imposing regulatory accountability, and recognizes the uniquely global nature of the derivatives market by promoting international cooperation. I look forward to working with Chairman LEACH and other members of the Banking Committee on this legislation in the 104th Congress.

TRIBUTE TO COL. RANDY RIHNER, USAF

HON. DUNCAN HUNTER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 4, 1995

Mr. HUNTER. Mr. Speaker, a friend of the Congress and a staunch advocate of U.S. national security is retiring from the U.S. Air Force on February 28 of this year. His name is Lt. Col. Randy Rihner, USAF.

Colonel Rihner has had a distinguished 22-year military career, which included service as a rated navigator and electronic warfare officer with operational experience in the B-52 heavy bomber. He also taught at the Electronic Warfare School at Mather Air Force Base, in my home State of California, and is a distinguished graduate of the Air Force Instructor School. He was selected for career broadening in the much sought after Education With Industry Program and worked acquisition programs for the Air Force.

For the last 4 years, Colonel Rihner has served in the Secretary of the Air Force's Office of Legislative Liaison, with primary responsibility for long-range power projection forces. Colonel Rihner was tireless in his efforts to ensure the Congress received timely

and accurate information on which to base its decisions about the future of various major defense programs, including the B-2 Stealth bomber and other weapon systems.

Colonel Rihner has received numerous awards and commendations, including most recently the Meritorious Service Medal, second Oak Leaf Cluster, which is reprinted below.

Randy plans to remain in the Washington area in order to teach science to elementary and middle school students. On behalf of my colleagues and the staff on the House National Security Committee, we wish Randy and his wife Roberta the very best.

CITATION TO ACCOMPANY THE AWARD OF MERITORIOUS SERVICE MEDAL, SECOND OAK LEAF CLUSTER, TO RANDOLPH R. RIHNER

Lieutenant Colonel Randolph R. Rihner distinguished himself in the performance of outstanding service to the United States as Chief, Strategic Air Branch, and Chief, Long Range Power Projection Branch, Weapons Systems Liaison Division, Office of Legislative Liaison, Office of the Secretary of the Air Force, the Pentagon, Washington, District of Columbia, from 28 August 1989 to 28 February 1995. During this period, he made major contributions to the Air Force Long Range Power Projection Programs. Colonel Rihner planned and executed Air Force Stealth Week, a highly successful static display attended by the President and Members of Congress, enhancing support for stealth technology. He ensured the Congressionally directed B-1 Operational Readiness Assessment was drafted with reasonable terms setting the stage for the aircraft's outstanding test results and promising future. Due to Colonel Rihner's personal involvement in legislative activity, Air Force bomber programs remained on track. The singularly distinctive accomplishments of Lieutenant Colonel Rihner culminate a distinguished career in the service of his country and reflect great credit upon himself and the United States Air Force.

RULES PACKAGE/MEMORANDUM OF UNDERSTANDING

HON. JOHN R. KASICH

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 4, 1995

Mr. KASICH. Mr. Speaker, I rise in support of the Rules package and wish to take this opportunity to thank my colleagues on the Committee on Rules and the Committee on Oversight and Reform for their cooperation in providing the Committee on the Budget legislative jurisdiction in the area of the budget process reform. I submit today the following Memorandum of Understanding between the distinguished chairman of the Committee on Rules, GERALD B.H. SOLOMON, and I on the intent of subparagraph (1)(d)(3) as it pertains to the Committee on Rules and the Committee on the Budget. The distinguished chairman of the Committee on Government Reform, and Oversight, WILLIAM F. CLINGER, shall submit a similar Memorandum of Understanding on budget process reform as it pertains to the Committee on Government Reform and Oversight and the Committee on the Budget.

STATEMENT OF UNDERSTANDING BETWEEN THE COMMITTEE ON THE BUDGET AND THE COMMITTEE ON RULES ON JURISDICTION OVER THE CONGRESSIONAL BUDGET PROCESS

HOUSE OF REPRESENTATIVES,
Washington, DC.

This statement addresses the intent of subparagraph (1)(d)(3) as it pertains to the Committee on the Budget and the Committee on Rules.

Subparagraph (1)(d)(3) relating to the Congressional Budget process is intended to provide the Committee on the Budget primary jurisdiction over budgetary terminology and the discretionary spending limits that are set forth in the Congressional Budget Act. It is also understood that the Committee on the Budget shall have secondary jurisdiction over the other elements of the Congressional budget process that are under the primary jurisdiction of the Committee on Rules. Such jurisdiction shall include the budget timetable, the budget resolution and its report, committee allocations, the reconciliation process, and related enforcement procedures. It is understood that the Committee on Rules will remain the Committee of primary jurisdiction over all aspects of the Congressional budget process that are within the joint rule-making authority of Congress except for budgetary terminology and the discretionary spending limits.

GERALD B.H. SOLOMON,
Chairman, Committee
on Rules.

JOHN R. KASICH,
Chairman, Committee
on the Budget.

CONGRATULATIONS AND THANKS TO SHERIFF COIS BYRD

HON. KEN CALVERT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, January 4, 1995

Mr. CALVERT. Mr. Speaker, on December 14, 1994, Sheriff Cois Byrd officially retired as the sheriff of Riverside County, CA. His commitment to law enforcement and the professional manner in which he ran his department for 8 years after being elected Riverside's sheriff in November 1986 will be missed by all of us who have had the opportunity to work with him—and by all law-abiding citizens of the county.

During his tenure as our sheriff, Cois Byrd epitomized what it means to be a professional in the increasingly complex field of law enforcement. Since first being hired as a deputy sheriff in 1959—after returning to Riverside from 3 years with the Fleet Marines/Pacific—Cois Byrd worked hard to keep up with the latest techniques in fighting crime. During his tenure as sheriff, his department grew from some 1,250 employees to more than 2,000 deputies and civilians operating out of more than 25 offices, stations, and detention facilities. By working cooperatively with the county's board of supervisors, Sheriff Byrd was able to develop a population-driven growth formula for patrol operations. This formula has helped increase the sheriff's staff/population ratio so that the department can keep up with the growing demands for law enforcement in an increasingly urban environment.

Cois Byrd has also made his mark in law enforcement at the State level. He was an active member of the California Sheriff's Association, serving as a member of the executive